

***Costa Adds An Amendment To Ensure Rural Areas Receive Adequate Homeownership Counseling Funds***

**WASHINGTON, DC-** Today, the House of Representatives passed HR 1728, the Mortgage Reform and Anti-Predatory Lending Act by a vote of 300 to 114. Congressman Jim Costa, (D-Fresno) supported the legislation and also offered an amendment to the bill, which was added in a Manager's package on Thursday. The bill will now move on to the Senate for consideration.

"This legislation aims to curb abusive and predatory lending, while not over-burdening those lenders who have acted responsibly," said Costa. "The amendment I authored ensures that rural areas like the Central Valley are not barred from valuable foreclosure and homeownership counseling services this bill provides. Our Valley has been disproportionately impacted by the nationwide housing crisis and this bill is an important step in both addressing the current crisis and preventing another from occurring down the road."

Costa's amendment was accepted into the Manager's package earlier in the week. It ensures adequate distribution of homeownership counseling funds for rural areas, including areas with insufficient access to the Internet.

The Mortgage Reform and Anti-Predatory Lending Act of 2009 will make sure that the industry follows basic principles of sound lending, responsibility, and consumer protection. It ensures that borrowers can repay the loans they are sold, mortgage lenders make loans that benefit the consumer, mortgage refinancing provides a net tangible benefit to the consumer, and for the first time ever, holds the secondary mortgage market responsible for complying with these common sense standards when they buy loans and turn them into securities.

Finally, there are incentives in the bill for the mortgage market to move back toward making safe, fully documented loans and ensure that tenants renting homes that are in foreclosure

receive notification and time to relocate.